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PRESS RELEASE

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LACKAWANNA BUSINESSMAN SENTENCED TO 42 MONTHS IN FEDERAL PRISON IN CIGARETTE EXCISE TAX SCAM

RE: UNITED STATES v. MOHAMED ABUHAMRA

Acting United States Attorney Kathleen M. Mehlretter announced today that United States Chief District Judge Richard J. Arcara sentenced Mohamed Abuhamra, age 56, of Buffalo, New York to 42 months in federal prison, and ordered him to make restitution of \$288,597 to the New York and Michigan State Tax Departments.

Assistant U.S. Attorney Anthony M. Bruce, who handled the case, stated that the defendant had been convicted in March, 2004 after a six week jury trial of conspiracy to launder money and possession of contraband cigarettes, in violation of Title 18, United States Code, Sections 1956(h) and 2342. The evidence at trial showed that Mohamed Abuhamra and his coconspirators obtained millions of dollars in untaxed cigarettes from Roseine's Smoke Shop in the Cattaraugus Indian Reservation in Southern Erie County and used runners to transport those cigarettes to Dearborn, Michigan and to Buffalo, New York

where they were sold in a manner that allowed Mohamed Abuhamra and his coconspirators to pocket the excise tax that otherwise would have gone to New York and Michigan.

The conviction was the culmination of an investigation on the part of the Bureau of Alcohol, Tobacco, Firearms and Explosives, under the direction of Resident Agent in Charge David P. DeJoe, the Internal Revenue Service, under the direction of Special Agent in Charge Ann Marie Coons, the New York State Tax Department, and the Buffalo Police Department, under the direction of Commissioner Rocco Diina.